

Author: Villines, et al. Analyst: Rachel Coco Bill Number: AB 2341

Related Bills: See prior Analysis Telephone: 845-4328 Amended Date: August 22, 2006 & August 24, 2006

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Elimination of Tax Clearance Process/Minimum Franchise and Annual Tax Relief

____ ANALYSIS NOT REQUIRED of this bill – Not within scope of responsibility of this department.

____ TECHNICAL BILL – No program or fiscal changes to existing program.

____ BILL AS AMENDED NO LONGER WITHIN SCOPE of responsibility or program of the department.

____ TECHNICAL AMENDMENT – No change in previously submitted analysis required.

X Approved position of prior analysis is SUPPORT.

____ MINOR AMENDMENT – Remainder of previous analysis of the bill as introduced/amended still applies.

____ MINOR AMENDMENT – No change in approved position of _____.
See Comments below

X OTHER – See comments below.

COMMENTS:

This bill would eliminate the requirement to obtain a tax clearance and, if certain requirements are met, extinguish further liability for the annual or minimum franchise tax.

The August 22, 2006, and August 24, 2006, amendments added language that would resolve a chaptering conflict between this bill and AB 339 (Harman). These amendments would not impact the department's programs or operations, or state income tax revenues. The department's analysis of the bill as amended June 21, 2006, still applies.

Board Position:

 X S NA NP
 SA O NAR
 N OUA PENDING

Franchise Tax Board Staff

Rachel Coco

Date

8/29/06